

Surrey Schools Forum
Draft Minutes of Meeting
Thursday 1 October 2020 1.00pm Virtual Meeting on TEAMS
(due to COVID 19)

Approved by Chair-for approval by members at next meeting

Present

Chair

Rhona Barnfield Howard of Effingham School (academy member)

Joint Vice Chairs

Kate Keane Ewell Grove Infant and Nursery School (Primary head)

Justin Price Freemantles School Special school head

Other school and academy members:

Katie Aldred Bagshot Infant School Primary Head

Susan Chrysanthou Furzefield Primary Primary Head

Clare McConnell Bisley CE (A) Primary Primary Head

Jo Luhman Kings International College Secondary Head

David Euridge Reigate Valley/Wey Valley PRUs PRU member

Geoffrey Hackett Burpham Primary Primary governor

Eric Peacock Thorpe C of E Primary Primary governor

Lisa Kent Manor Mead and Walton Leigh Schools (special governor)

Matthew Armstrong-Harris Rodborough Academy member

Ben Bartlett Hinchley Wood School Academy member

Kate Carriett George Abbot School Academy member

Sir Andrew Carter South Farnham Primary Academy member

Elaine Cooper SWAN academy trust Academy member

Gavin Dutton Pirbright School Academy member

Jo Hastings Ottershaw Infant and Junior Schools Academy member

Nicky Mann Wallace Fields Infant Academy member

Ruth Murton Thamesmead School Academy member

Neil Miller Bramley Oak Academy Special academy member

Non school members

Sue Lewis Private, voluntary & independent nursery providers

Claire Littlewood Family Voice Surrey

Joe Dunne RC Diocese of Arundel and Brighton

Jonathan Gambier Guildford Diocese (C of E)

Tamsin Honeybourne Teaching union member of Education Joint Committee

Nick Trier Teaching union member of Education Joint Committee

Jayne Dickinson Post 16 providers

Cabinet member for All Age Learning

Julie Iles

Local Authority Officers

Liz Mills (LM) Director–Education, Lifelong Learning & Culture

Eamonn Gilbert (EG) Assistant Director (Commissioning)

Daniel Peattie (DP) Strategic Finance Business Partner (CFLC)

Louise Lawson (LL) Deputy Strategic Finance Business Partner (ELLC)

David Green (DG) Senior Finance Business Partner (Schools Funding)

1 Welcome, Introductions and Apologies for Absence

Apologies for absence had been received from:

Fred Greaves Oakwood School (secondary governor)

The Chair welcomed new members: Sue Lewis, Neil Miller, and Claire Littlewood (substitute Family Voice member).

2 Declarations of interest (where not self evident)

Sue Lewis-close relation of behaviour support teacher (item 6);

Ben Bartlett and Matthew Armstrong-Harris-headteachers of schools with Cullum centres (items 4/6);

Tamsin Honeybourne- union rep (item 6)..

3 Minutes of previous meeting (9 July 2020) and matters arising

Accuracy

The minutes of the previous meeting were accepted as accurate.

Matters arising (not covered elsewhere on agenda)

None

4 Update on high needs block including recovery plan requirements

LM reminded the Forum that the high needs block deficit at the start of 2020/21 had been £48m. This sum was held on the balance sheet and was considered a ringfenced deficit. The council had set aside an equal reserve from general county council funds, but council funds could not be used to fund the deficit.

The current forecast overspend for 2020/21 was £30.7m compared to a budgeted overspend of £24m. The cumulative deficit at the end of 2020/21 was estimated at £79m. The £6.7m increase in overspend was made up of

- £4.7m demand pressures;
- £2m other changes including grant changes, inflation and additional funding for special schools.

There were further risks of £4.8m, of which the largest uncertainty was 200 unplaced children. Only 34 of these were key stage transfers; the others were new EHCPs or children whose placements had broken down.

Total estimated high needs block costs were £191m of which costs of external placements were £80m. Most of the variances were against placement costs. 213 new state maintained places had been agreed for 2020/21 but there was still significant use of the independent sector placements, largely for continuing placements. The aim was to increase the use of state sector placements where possible.

The demand pressures were made up of:

- £4.6m volume and price increases in independent placements. In particular, there had been a large increase in placement breakdowns during lockdown, and limited options;

- £0.2m overspend in individual support (IPSB);
- £0.3m increase in placements for children with disabilities;
- £0.5m increase in costs of alternative provision (particularly private tutors)
Less £0.9m savings on therapies and other support services.

Of the £4.6m, £2.8m was due to increased numbers of placements. There had been a 10% increase in EHCPs since January, 232 more key stage transfers than last year and 97 new in year placements, either new EHCPs or placement breakdowns. The remaining £1.8m was due to cost increases although this was not uniformly spread and the majority of providers had held costs.

Other adjustments included

- £0.8m reduction in high needs block funding due to reduced number of out county children in Surrey schools;
- £0.4m additional funding for inflation in funding rates in Surrey special schools. Colleagues in special schools had gone above and beyond expectations to accommodate additional pupils (ie which would otherwise have been placed elsewhere at higher costs);
- £0.5m reduced income from other LAs due to fewer places being taken up by their children;
- £0.3m health income falling below budget (but it was still higher than in previous years).

The LA aimed to contain annual high needs block costs within DSG by 2025/26, later than previously anticipated, although repayment of the accumulated deficit would be a longer term issue. The LA needed to prepare a DSG recovery plan for DfE and the DfE expected that plan to be discussed with the Forum before submission.

LM proposed to hold an additional meeting of Schools Forum in November to consider the recovery plan, and if necessary any disapplication request.

LM also proposed a high needs block working group to look at detailed proposals and specific themes and to provide system leadership. This could be drawn partly from the schools forum and partly from the wider partnership.

Proposed developments included:

- Reviewing the use of alternative provision, in particular whether the LAs own resources could be more widely used in order to reduce the use of external alternative provision;
- Reviewing health and social care contributions and the packages they supported,
- reviewing overheads;
- reviewing costs recovered from other LAs placing children in Surrey schools;
- contacting those LAs identified by an external survey as driving best value from their high needs blocks;
- Further capital investment in additional high needs places;
- Continuing work on preparation for adulthood.

Work was continuing on market management. Health resource had been secured for specialist school nursing and for mental health support.

Justin Price noted that the additional £0.4m funding for special schools in 2020/21 had been linked to their providing additional places, whereas no conditions had been attached to the average 4.5% increase in mainstream, schools. He recalled that the Forum had agreed that the original 2.5% increase proposed for special schools was insufficient. The Chair noted that the mainstream increase had been part of the NFF and not a local decision.

Julie Iles emphasised the importance which was attached by the council to SEND and that the political will existed to drive change. Independent sector placements need not have better outcomes.

Eamonn Gilbert described the meeting with special school heads to discuss additional funding and places as “very collegiate and supportive”. Increased use of independent placements was moving resources away from state schools. The offer to create additional places in Surrey schools had been a means of creating savings to support additional funding for Surrey special schools, but he did not see it as a reliable method for funding increases in future.

Kate Keane sought more information on the underspend on therapies, in particular whether there was a catch up plan where services had not been provided. LM advised that part of the underspend had been due to vacancies, which had now been filled. The service had made much use of digital technology during lockdown, but there had been a reduction in new assessments, although the waiting list for early years assessment had actually reduced during the lockdown period. There was a catch up plan. Surrey had maintained its therapy workforce during lockdown to a greater extent than some other LAs.

The post 16 representative noted that FE colleges were running alternative provision, mainly charged to schools but some funded directly by the LA. She would be happy to provide a representative for the proposed working group. LM agreed that FE colleges were an example of alternative provision which was working well.

LM would draft terms of reference for the proposed working group and would share with the Chair. She suggested that it should meet over the next 3-4 months with specific delivery objectives. She confirmed that the terms of reference would include regular report back to Schools Forum.

5 High needs place planning for 2021/22

This item was deferred to the proposed November meeting. That meeting would need to consider the overall sufficiency analysis plus specific proposals for places in 2021/22.

6 Outcome of consultation on schools, high needs and early years funding: decisions and recommendations to Cabinet

DG advised that there had been a 35% response from schools to the funding consultation, compared to 43% in autumn 2019. The Chair commented that the reduced response was regrettable but understandable, given the complexity of the issues and the pressures on school leaders from COVID 19. However, there had been a clear majority response to most proposals.

LM commented that phase councils had requested a webinar to support the consultation, and that was a proposal which the LA would look at next year.

DG advised that only school, academy and early years representatives could vote on issues directly affecting the schools funding formula.

The consultation questions were considered in turn:

Consultation Question 7a

If 0.5% of schools block funds are transferred to the high needs block, which level of minimum funding guarantee (MFG) best meets the needs of Surrey schools (1.43% or 1.1%)?

There had been a small majority (54%) for 1.43% although a majority of secondary schools had favoured the lower MFG.

Eligible reps voted 16-1 in favour of the higher MFG

Consultation Question 7b

Do you agree that a ceiling on per pupil gainers should be used if, and only if, it is necessary in order to maintain the MFG and increase in per pupil rates at the (levels proposed in the consultation paper)?

This had had clear majority support (90%)

The Forum supported the proposed criteria for use of a ceiling on per pupil gains.

Question 7c (alternative cost containment measures should a ceiling not be used) was not discussed, given the response to question 7b.

Consultation Question 8a

If there is no transfer of funds to the high needs block, do you agree that the minimum funding guarantee should be set at 2% and the increase in formula factors at a minimum of 2.3% (with any surplus funding going into a further increase in formula factors-currently estimated at a further 0.25%)

This had been supported by 83.9% of respondents.

DG reminded the Forum that 2% was the maximum permissible MFG

The Forum supported the proposal that the MFG should be set at 2% if there is no transfer of funds to the high needs block.

Consultation Question 8b

Do you agree that, if there is no transfer of funds to high needs block, a ceiling on gains in funding per pupil should be used if, and only if, it is necessary in order to deliver NFF funding rates and the 2% MFG?

89% of respondents had supported the proposal.

The Forum supported the proposed criteria for use of a ceiling on per pupil gains

Consultation Question 9

Do you support increasing the current lump sums in line with the percentage increase in NFF factor rates, in order to assist small schools?

The proposal meant that Surrey's lump sums would remain above NFF values. It had been supported by a clear majority (78% in the event of a transfer to high needs block and 74.78% otherwise). DG recognised that the higher lump sum could not continue for ever

The Forum supported the proposed increases in lump sums.

Consultation Question 10

Do you agree that the level 1 and level 2 notional SEN funding rates should be increased in line with the general level of increase in formula funding rates?

DG noted that there had been a small majority (66%) in favour of this proposal and that there had been suggestions that some respondents had misunderstood the question. The proposal was that the amount of a school's budget identified for SEN should be increased as the additional need factor values (through the NFF) increased, not that additional funding should be distributed for SEN, However, Kate Keane reported that of a sample of 22 primary colleagues 18 had confirmed that they had read the question as intended.

The Forum supported the proposed increases in the funding to be identified as notional SEN funding.

Consultation question 11

Do you agree that in 2021/22 we should continue to provide formula funding for looked after children at the current rate?

Funding for looked after children is not part of the NFF but the proposal to retain it had been widely supported in consultation (99.2%).

The Forum supported the proposed continuation of formula funding for looked after children.

Consultation question 12

Do you agree that the former combined services funding (for confederations and school improvement) within the formula, should be reduced by 20%, to reflect the funding reduction made by the DfE?

The proposal had been supported by 96% of respondents in consultation.

The Forum supported the proposed reductions in former combined services funding.

Consultation question 13

Do you support the proposal that funding for eligible rents should be outside the calculation of minimum funding guarantee and ceiling, so that funding changes are passed straight through to schools?

This had been supported by 100% of responding schools.

The Forum supported the proposal that funding for eligible rents should be taken outside the MFG.

Consultation question 14

Do you support the proposal that funding for eligible split site costs should be outside the calculation of minimum funding guarantee and ceiling, so that funding changes for both are passed straight through to schools

This had been supported by 96% of schools in consultation.

The Forum supported the proposal that funding for eligible split site costs should be excluded from the minimum funding guarantee.

Consultation question 15

Do you support the proposed basis of returning part of the surplus school specific contingency funds in 2021/22 to those primary schools which were maintained for all or part of 2019/20, on the basis described in the consultation paper?

This was supported by 94% of responding schools and 93% of responding primary schools.

The Forum supported the proposed refund of unspent primary school contingency to primary schools.

Consultation question 16: proposals for de-delegation of funding for specific services

All de-delegation proposals had had clear majority support from maintained primary schools (and where asked, from maintained secondary schools) in the consultation.

LM advised that Sandra Morrison had been asked to develop proposals for traded behaviour support and travellers support services.

Representatives of maintained primary schools agreed de-delegation of funding for:

- **Behaviour support (by 6-0 with one abstention);**
- **Capita SIMS licences (7-0);**
- **Teacher association and trade union facilities (7-0)**
- **Other special staff costs (7-0)**
- **Free school meals eligibility checking (7-0)**
- **Primary school contingency (7-0)**
- **Primary schools intervention fund (7-0)**
- **Travellers support (5-2)**

The sole maintained secondary school representative agreed de-delegation from maintained secondary schools of funds for

- * **Capita SIMS**
- * **teacher association and trade union facility time**
- * **Other special staff costs**
- * **Free school meals eligibility checking.**

Consultation question 17

Do you support the need to increase our capital investment in our own Surrey special schools to increase our capacity to support Surrey pupils with SEND and

reduce our reliance on non-maintained/independent and out of county schools with much higher unit costs funded from the High Needs DSG, except where such a non-maintained or out of county school provides a specialism or need which our schools are not able to meet?

95% of respondents supported this proposal.

The Forum supported an increase in capital investment in Surrey special schools.

Consultation question 18

Do you support the proposed principles of the special schools funding review?

95% of respondents had supported this proposal

The Forum supported the proposed principles.

Consultation question 19

Do you accept in principle, with some exceptions, the premise that in terms of unit cost per pupil, we would expect

- a placement in a special school to be more expensive than that provided in a SEN centre in a mainstream school
- a pupil with SEND in a mainstream school to be funded at a lower unit cost than a pupil in a SEN centre?

This had been supported by a much smaller, but still clear majority (71%)

Ben Bartlett asked for the exceptions to be clarified, and hoped that the NAS Cullum centres would be among them. LM agreed that the Cullum centres could be an exception. Exceptions would be clarified as part of the project development. Other members argued that where children were placed in a mainstream school but would be more appropriately placed in a special school they should be funded at the special school level., and it was important that funding reflected the children's needs and not where they were placed.

Eamonn suggested that funding should follow the learner based on an agreed set of definitions of need but that in general we would expect special schools to meet the highest needs and therefore to have the highest funding. It would not be a universal rule.

Some members expressed concern that funding of special schools was being reviewed before high needs funding in mainstream schools. Eamonn advised that the process had been staged because looking at special and mainstream schools simultaneously would be unmanageable. The aim was to introduce a new banding system by agreement, which was equitable and gave pupils the support they needed. This was not currently happening.

LM noted that the Forum would have the opportunity to consider the proposed changes, and suggested that the Forum might provide clarification of how they wanted the proposal to proceed. The key was that funding recognised the needs of the child.

Members sought clear communication of what would be covered in phase 2

The Forum supported the proposals

Consultation Question 20

Do you support the transfer of 0.5% (approx. £3.4m) of the total Schools block to the High Needs block to fund the existing SEND strategy?

This had been supported by 29.6% of respondents.

The Forum voted 14-7 NOT to support the proposed transfer of funding from schools block to the high needs block.

Early years funding consultation (questions 21-28)

Consultation Question 21 Do you agree that the hourly rates in the early years funding formula for 3-4 year olds (both basic and deprivation) should increase by the same percentage as the funding rates paid by DfE to Surrey?

Consultation Question 22 Do you agree that the hourly rates in the early years funding formula for 2 year olds should increase by the same percentage as the funding rates paid by DfE to Surrey?

Consultation Question 23 Do you agree that the basic hourly rate should then increase by a further 8p/hr, subject to affordability?

Consultation Question 24 Do you agree that the inclusion fund for 3-4 year olds should be maintained at the same level in 2021/22 as in 2020/21?

Consultation Question 25 Do you support the continued provision of an Inclusion Fund for 2 year olds?

Consultation Question 26 Do you support the continued retention of 5% of funding for 3-4 year olds for 2021/22 for use as described in annex 10 (of the consultation paper)?

Consultation Question 27 Do you support the proposal to offer all Early Years specialist places at 15 hours per week for 38 weeks per year in line with entitlement?

Consultation Question 28 Do you support the proposed changes to the funding rate for free meals provision for entitled pupils in state maintained schools?

DG noted that there had been clear majority support for all of these proposals.

The Forum supported all of the early years funding proposals without further discussion.

(Note: the table circulated to Forum members covered responses from schools only, but the full set of results including PVI providers, also showed clear majority support for all proposals).

7 Technical issues for “disapplication”: Requests to DfE

Varying pupil numbers for schools losing bulge classes etc

DG reminded the Forum that where primary schools were subject to a reduction in PAN or the loss of a bulge class, the LA normally sought DfE permission to cease to fund the ceased class from September, because this was a planned and predictable change in pupil numbers at the school.

Before making such an application, the LA was expected to consult individual schools and the Schools Forum.

In 2021/22 11 schools would be affected. All had been written to and had been chased where necessary to ensure that they understood. Responses had eventually been received from all eleven.

8 schools had raised no objections (“we don’t like it but agree its fair” being a typical response)

Three had objected:

- one on the basis that following a recent increase in PAN it was still in a transitional phase while pupil numbers stabilised (the school requested that the reduction should be halved);
- one argued that it had been disadvantaged by having three bulge classes (two with significant numbers of vacancies (which had not been funded at key stage 2) and that this, plus its high level of deprivation, should be taken into account
- further details were still expected from the third. (Note: historically low pupil numbers were a concern, but these were not associated with bulge classes as such).

One member asked whether other funding could be found to assist these schools. It was noted that the primary contingency could not be used, as the change in pupil numbers was a predictable change.

The Forum approved the proposed application to the DfE to vary pupil numbers for all 11 schools.

8 Teachers pay settlement

The Chair noted that the Schools teachers’ pay and conditions document for 2020 had now been published. She suggested that HR should discuss implementation issues with the phase councils, as under the NFF Schools Forum had little scope for changing school funding’ in response to pay settlements

9 Schools Forum business

Election of Chair and two Vice Chairs

Nominations should be sent to David Green by Friday 20 November. All three current office holders were willing to stand again.

Items for next meeting (9 or 10 November TBC)

To include high needs block recovery plan, disapplication request (if necessary), high needs place planning for 2021/22, plus follow up to AOB items below

10 Any other business

Ben Bartlett asked three questions under other business:

- had officers used the high needs benchmarking tool (recently updated by the DfE) (yes);
- could officers advise how much of the Local Learning Fund had been spent and of its impact?

LM advised that lockdown had caused some delay in evaluation of the impact but would provide further details at the next meeting;

- whether the forum would be given the opportunity to discuss the draft disapplication protocol requested at previous meetings.

LM advised that members could send in comments and there could be a discussion at the next meeting.

Meeting ended 3.15pm

Date of next meeting Tuesday 3 November 2020 2pm, (Virtual on
TEAMS) **(additional meeting)**
Thursday 10 December 2020 1pm, location TBC